

INVITATION TO BID

STATE OF LOUISIANA

DIVISION OF ADMINISTRATION
OFFICE OF STATE PURCHASING

BIDS WILL BE PUBLICLY OPENED:

MAY 23, 2006 10:00 AM

PURCHASING AGENCY NO. : 107001

=====> VENDOR NO. :
SOLICITATION : 2207334
FILE NO. : N421121
OPENING DATE : 05/23/06

=====> VENDOR NAME AND ADDRESS

**FILL IN VENDOR NUMBER (FEIN), NAME AND
ADDRESS ABOVE, BEFORE SUBMITTING BID.****SEE NO. 8 BELOW. RETURN BID TO**2207334 05/23/06 10:00 AM
N421121OFFICE OF STATE PURCHASING
OFFICE OF STATE PURCHASING
POST OFFICE BOX 94095
BATON ROUGE, LA 70804-9095BUYER : MARIE RUSSELL
BUYER PHONE : (225) 342-8016
DATE ISSUED : 04/25/06
REQ. AGENCY : 440001 FOLD HERE-->DEPARTMENT OF REVENUE
AGENCY REQ. NO. : 324007003
ISIS REQ. NO. : 1287666
VENDOR PHONE :
FISCAL YEAR : 07
CLASS/SUBCLASS : 25520
SCHEDULED BEGIN DATE : 00/00/00
SCHEDULED END DATE : 00/00/00
T-NUMBER :MACHINE & HAND APPLIED
CIGARETTE STAMPS

TO BE COMPLETED BY VENDOR

1. _____ PLEASE REMOVE FROM THIS COMMODITY CODE.
2. _____ DELIVERY WILL BE MADE IN THIS NUMBER OF DAYS AFTER RECEIPT OF ORDER.
3. _____ % CASH DISCOUNT FOR PROMPT PAYMENT IF MADE WITHIN THIRTY (30) DAYS. CASH DISCOUNTS FOR LESS THAN 30 DAYS OR LESS THAN 1% WILL BE ACCEPTED, BUT WILL NOT BE CONSIDERED IN DETERMINING AWARDS. ON INDEFINITE QUANTITY TERM CONTRACTS, CASH DISCOUNTS WILL BE ACCEPTED AND TAKEN BUT WILL NOT BE CONSIDERED IN DETERMINING AWARDS.
4. _____ BID BOND ATTACHED, _____ CERTIFIED CHECK ATTACHED, _____ OTHER, IF REQUIRED.
5. _____ BID REFERENCE NUMBER. (THIS NUMBER WILL APPEAR ON RESULTING ORDER OR CONTRACT).

INSTRUCTIONS TO BIDDERS

1. READ THE ENTIRE BID, INCLUDING ALL TERMS AND CONDITIONS AND SPECIFICATIONS.
2. ALL BID PRICES MUST BE TYPED OR WRITTEN IN INK. ANY CORRECTIONS, ERASURES OR OTHER FORMS OF ALTERATION TO UNIT PRICES SHOULD BE INITIALED BY THE BIDDER.
3. THIS BID IS TO BE MANUALLY SIGNED IN INK. FOLD HERE-->
4. BID PRICES SHALL INCLUDE DELIVERY OF ALL ITEMS F.O.B. DESTINATION OR AS OTHERWISE PROVIDED. BIDS CONTAINING "PAYMENT IN ADVANCE" OR "C.O.D." REQUIREMENTS MAY BE REJECTED. PAYMENT IS TO BE MADE WITHIN 30 DAYS AFTER RECEIPT OF PROPERLY EXECUTED INVOICE OR DELIVERY, WHICHEVER IS LATER.
5. AMOUNT OF BID BOND REQUIRED: _____ N/A _____
6. AMOUNT OF PERFORMANCE BOND, IF REQUIRED. _____ OR _____ 0% _____ OF BID.
7. DESIRED DELIVERY: _____ SEE DETAILS ELSEWHERE IN DOCUMENT _____
8. TO ASSURE CONSIDERATION OF YOUR BID, ALL BIDS AND ADDENDA SHOULD BE RETURNED IN AN ENVELOPE OR PACKAGE CLEARLY MARKED WITH THE BID OPENING DATE AND THE BID NUMBER, OR SUBMITTED IN THE SPECIAL ENVELOPE IF FURNISHED FOR THAT PURPOSE.
9. BIDS SUBMITTED ARE SUBJECT TO PROVISIONS OF THE LAWS OF THE STATE OF LOUISIANA INCLUDING BUT NOT LIMITED TO L.R.S. 39:1551-1736; PURCHASING RULES AND REGULATIONS; EXECUTIVE ORDERS; STANDARD TERMS AND CONDITIONS; SPECIAL CONDITIONS; AND SPECIFICATIONS LISTED IN THIS SOLICITATION.
10. IMPORTANT: BY SIGNING THE BID, THE BIDDER CERTIFIES COMPLIANCE WITH ALL INSTRUCTIONS TO BIDDERS, TERMS, CONDITIONS AND SPECIFICATIONS, AND FURTHER CERTIFIES THAT THIS BID IS MADE WITHOUT COLLUSION OR FRAUD. THIS BID IS TO BE MANUALLY SIGNED IN INK BY A PERSON AUTHORIZED TO BIND THE VENDOR (SEE NO.30). ALL BID INFORMATION SHALL BE MADE WITH INK OR TYPEWRITTEN.

VENDOR PHONE NUMBER:
FAX NUMBER:

TITLE

DATE

SIGNATURE OF AUTHORIZED BIDDER - SEE NO. 30, PAGE 3.
(MUST BE SIGNED)NAME OF BIDDER
(TYPED OR PRINTED)

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11. ADDRESS ALL INQUIRIES AND CORRESPONDENCE TO THE BUYER AT THE PHONE AND ADDRESS SHOWN ABOVE.

12. CONFERENCE:
 NA
 NA
 NA

13. BID FORMS.
 ALL WRITTEN BIDS, UNLESS OTHERWISE PROVIDED FOR, MUST BE SUBMITTED ON, AND IN ACCORDANCE WITH, FORMS PROVIDED, PROPERLY SIGNED (SEE NO. 30). BIDS SUBMITTED IN THE FOLLOWING MANNER WILL NOT BE ACCEPTED:
 A. BID CONTAINS NO SIGNATURE INDICATING INTENT TO BE BOUND;
 B. BID FILLED OUT IN PENCIL; AND
 C. BID NOT SUBMITTED ON THE STATE'S STANDARD FORMS.

BIDS MUST BE RECEIVED AT THE ADDRESS SPECIFIED IN THE SOLICITATION PRIOR TO BID OPENING TIME IN ORDER TO BE CONSIDERED. TELEGRAPHIC AND FAX ALTERATIONS TO BIDS RECEIVED BEFORE BID OPENING TIME WILL BE CONSIDERED PROVIDED FORMAL BID AND WRITTEN ALTERATION HAVE BEEN RECEIVED AND TIME-STAMPED BEFORE BID OPENING TIME. ENTIRE BID SHOULD BE RETURNED, EXCEPT ITEM PAGES NOT BID.

14. STANDARDS OF QUALITY.
 ANY PRODUCT OR SERVICE BID SHALL CONFORM TO ALL APPLICABLE FEDERAL AND STATE LAWS AND REGULATIONS AND THE SPECIFICATIONS CONTAINED IN THE SOLICITATION. UNLESS OTHERWISE SPECIFIED IN THE SOLICITATION, ANY MANUFACTURER'S NAME, TRADE NAME, BRAND NAME, OR CATALOG NUMBER USED IN THE SPECIFICATION IS FOR THE PURPOSE OF DESCRIBING THE STANDARD OF QUALITY, PERFORMANCE, AND CHARACTERISTICS DESIRED AND IS NOT INTENDED TO LIMIT OR RESTRICT COMPETITION. BIDDER MUST SPECIFY THE BRAND AND MODEL NUMBER OF THE PRODUCT OFFERED IN HIS BID. BIDS NOT SPECIFYING BRAND AND MODEL NUMBER SHALL BE CONSIDERED AS OFFERING THE EXACT PRODUCTS SPECIFIED IN THE SOLICITATION.

15. DESCRIPTIVE INFORMATION.
 BIDDERS PROPOSING AN EQUIVALENT BRAND OR MODEL SHOULD SUBMIT WITH THE BID INFORMATION (SUCH AS ILLUSTRATIONS, DESCRIPTIVE LITERATURE, TECHNICAL DATA) SUFFICIENT FOR STATE OF LOUISIANA TO EVALUATE QUALITY, SUITABILITY, AND COMPLIANCE WITH THE SPECIFICATIONS IN THE SOLICITATION. FAILURE TO SUBMIT DESCRIPTIVE INFORMATION MAY CAUSE BID TO BE REJECTED. ANY CHANGE MADE TO A MANUFACTURER'S PUBLISHED SPECIFICATIONS SUBMITTED FOR A PRODUCT SHALL BE VERIFIABLE BY THE MANUFACTURER. IF ITEM(S) BID DO NOT FULLY COMPLY WITH SPECIFICATIONS (INCLUDING BRAND AND/OR PRODUCT NUMBER), BIDDER MUST STATE IN WHAT RESPECT ITEM(S) DEVIATE. FAILURE TO NOTE EXCEPTIONS ON THE BID FORM WILL NOT RELIEVE THE SUCCESSFUL BIDDER(S) FROM SUPPLYING THE ACTUAL PRODUCTS REQUESTED.

16. BID OPENING.
 BIDDERS MAY ATTEND THE BID OPENING, BUT NO INFORMATION OR OPINIONS CONCERNING THE ULTIMATE CONTRACT AWARD WILL BE GIVEN AT THE BID OPENING OR DURING THE EVALUATION PROCESS. BIDS MAY BE EXAMINED WITHIN 72 HOURS AFTER BID OPENING. INFORMATION PERTAINING TO COMPLETED FILES MAY BE SECURED BY VISITING THE STATE OF LOUISIANA DURING NORMAL WORKING HOURS. WRITTEN BID TABULATIONS WILL NOT BE FURNISHED.

17. AWARDS.
 THE STATE OF LOUISIANA RESERVES THE RIGHT TO AWARD ITEMS SEPARATELY, GROUPED OR ON AN ALL-OR-NONE BASIS AND TO REJECT ANY OR ALL BIDS AND WAIVE ANY INFORMALITIES.

18. PRICES.
 UNLESS OTHERWISE SPECIFIED BY THE STATE OF LOUISIANA IN THE SOLICITATION, BID PRICES MUST BE COMPLETE, INCLUDING TRANSPORTATION PREPAID BY BIDDER TO DESTINATION AND FIRM FOR ACCEPTANCE FOR A MINIMUM OF 30 DAYS. IF ACCEPTED, PRICES MUST BE FIRM FOR THE CONTRACTUAL PERIOD. BIDS OTHER THAN F.O.B. DESTINATION MAY BE REJECTED. PRICES SHOULD BE QUOTED IN THE UNIT (EACH, BOX, CASE, ETC.) AS SPECIFIED IN THE SOLICITATION.

19. DELIVERIES.
 BIDS MAY BE REJECTED IF THE DELIVERY TIME INDICATED IS LONGER THAN THAT SPECIFIED IN THE SOLICITATION.

20. TAXES.
 VENDOR IS RESPONSIBLE FOR INCLUDING ALL APPLICABLE TAXES IN THE BID PRICE. STATE AGENCIES ARE EXEMPT FROM ALL STATE AND LOCAL SALES AND USE TAXES.

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21. NEW PRODUCTS.
UNLESS SPECIFICALLY CALLED FOR IN THE SOLICITATION, ALL PRODUCTS FOR PURCHASE MUST BE NEW, NEVER PREVIOUSLY USED, AND THE CURRENT MODEL AND/OR PACKAGING. NO REMANUFACTURED, DEMONSTRATOR, USED OR IRREGULAR PRODUCT WILL BE CONSIDERED FOR PURCHASE UNLESS OTHERWISE SPECIFIED IN THE SOLICITATION. THE MANUFACTURER'S STANDARD WARRANTY WILL APPLY UNLESS OTHERWISE SPECIFIED IN THE SOLICITATION.

22. CONTRACT RENEWALS.
UPON AGREEMENT OF THE STATE OF LOUISIANA AGENCY AND THE CONTRACTOR, A TERM CONTRACT MAY BE EXTENDED FOR 2 ADDITIONAL 12-MONTH PERIODS AT THE SAME PRICES, TERMS AND CONDITIONS. IN SUCH CASES, THE TOTAL CONTRACT TERM CANNOT EXCEED 36 MONTHS.

23. CONTRACT CANCELLATION.
THE STATE OF LOUISIANA HAS THE RIGHT TO CANCEL ANY CONTRACT, IN ACCORDANCE WITH PURCHASING RULES AND REGULATIONS, FOR CAUSE, INCLUDING BUT NOT LIMITED TO, THE FOLLOWING: (1) FAILURE TO DELIVER WITHIN THE TIME SPECIFIED IN THE CONTRACT; (2) FAILURE OF THE PRODUCT OR SERVICE TO MEET SPECIFICATIONS, CONFORM TO SAMPLE QUALITY OR TO BE DELIVERED IN GOOD CONDITION; (3) MISREPRESENTATION BY THE CONTRACTOR; (4) FRAUD, COLLUSION, CONSPIRACY OR OTHER UNLAWFUL MEANS OF OBTAINING ANY CONTRACT WITH THE STATE; (5) CONFLICT OF CONTRACT PROVISIONS WITH CONSTITUTIONAL OR STATUTORY PROVISIONS OF STATE OR FEDERAL LAW; (6) ANY OTHER BREACH OF CONTRACT.

24. DEFAULT OF CONTRACTOR.
FAILURE TO DELIVER WITHIN THE TIME SPECIFIED IN THE BID WILL CONSTITUTE A DEFAULT AND MAY CAUSE CANCELLATION OF THE CONTRACT. WHERE THE STATE HAS DETERMINED THE CONTRACTOR TO BE IN DEFAULT, THE STATE RESERVES THE RIGHT TO PURCHASE ANY OR ALL PRODUCTS OR SERVICES COVERED BY THE CONTRACT ON THE OPEN MARKET AND TO CHARGE THE CONTRACTOR WITH COST IN EXCESS OF THE CONTRACT PRICE. UNTIL SUCH ASSESSED CHARGES HAVE BEEN PAID, NO SUBSEQUENT BID FROM THE DEFAULTING CONTRACTOR WILL BE CONSIDERED.

25. ORDER OF PRIORITY.
IN THE EVENT THERE IS A CONFLICT BETWEEN THE INSTRUCTIONS TO BIDDERS OR STANDARD CONDITIONS AND THE SPECIAL CONDITIONS, THE SPECIAL CONDITIONS SHALL GOVERN.

26. APPLICABLE LAW.
ALL CONTRACTS SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF LOUISIANA.

27. COMPLIANCE WITH CIVIL RIGHTS LAWS.
BY SUBMITTING AND SIGNING THIS BID, BIDDER AGREES TO ABIDE BY THE REQUIREMENTS OF THE FOLLOWING AS APPLICABLE: TITLE VI AND VII OF THE CIVIL RIGHTS ACT OF 1964, AS AMENDED BY THE EQUAL OPPORTUNITY ACT OF 1972, FEDERAL EXECUTIVE ORDER 11246, FEDERAL REHABILITATION ACT OF 1973, AS AMENDED, THE VETERAN'S READJUSTMENT ASSISTANCE ACT OF 1974, TITLE IX OF THE EDUCATION AMENDMENTS OF 1972, THE AGE ACT OF 1975, AND BIDDER AGREES TO ABIDE BY THE REQUIREMENTS OF THE AMERICANS WITH DISABILITIES ACT OF 1990. BIDDER AGREES NOT TO DISCRIMINATE IN ITS EMPLOYMENT PRACTICES, AND WILL RENDER SERVICES UNDER ANY CONTRACT ENTERED INTO AS A RESULT OF THIS SOLICITATION WITHOUT REGARD TO RACE, COLOR, RELIGION, SEXUAL ORIENTATION, NATIONAL ORIGIN, VETERAN STATUS, POLITICAL AFFILIATION, OR DISABILITIES. ANY ACT OF DISCRIMINATION COMMITTED BY BIDDER, OR FAILURE TO COMPLY WITH THESE STATUTORY OBLIGATIONS WHEN APPLICABLE, SHALL BE GROUNDS FOR TERMINATION OF ANY CONTRACT ENTERED INTO AS A RESULT OF THIS SOLICITATION.

28. SPECIAL ACCOMMODATION.
ANY "QUALIFIED INDIVIDUAL WITH A DISABILITY" AS DEFINED BY THE AMERICANS WITH DISABILITIES ACT WHO HAS SUBMITTED A BID AND DESIRES TO ATTEND THE BID OPENING, MUST NOTIFY THIS OFFICE IN WRITING NOT LATER THAN SEVEN DAYS PRIOR TO THE BID OPENING DATE OF THEIR NEED FOR SPECIAL ACCOMMODATIONS. IF THE REQUEST CANNOT BE REASONABLY PROVIDED, THE INDIVIDUAL WILL BE INFORMED PRIOR TO THE BID OPENING.

29. INDEMNITY.
CONTRACTOR AGREES, UPON RECEIPT OF WRITTEN NOTICE OF A CLAIM OR ACTION, TO DEFEND THE CLAIM OR ACTION, OR TAKE OTHER APPROPRIATE MEASURE, TO INDEMNIFY, AND HOLD HARMLESS, THE STATE, ITS OFFICERS, ITS AGENTS AND ITS EMPLOYEES FROM AND AGAINST ALL CLAIMS AND ACTIONS FOR BODILY INJURY, DEATH OR PROPERTY DAMAGES CAUSED BY THE FAULT OF THE CONTRACTOR, ITS OFFICERS, ITS AGENTS, OR ITS EMPLOYEES. CONTRACTOR IS OBLIGATED TO INDEMNIFY ONLY TO THE EXTENT OF THE FAULT OF THE CONTRACTOR, ITS OFFICERS, ITS AGENTS, OR ITS EMPLOYEES. HOWEVER, THE CONTRACTOR SHALL HAVE NO OBLIGATION AS SET FORTH ABOVE WITH RESPECT TO ANY CLAIM OR ACTION FROM BODILY INJURY, DEATH OR PROPERTY DAMAGES ARISING OUT OF THE FAULT OF THE STATE, ITS OFFICERS, ITS AGENTS OR ITS EMPLOYEES.

30. SIGNATURE AUTHORITY.
IN ACCORDANCE WITH L.R.S. 39:1594 (ACT 121), THE PERSON SIGNING THE BID MUST BE:

1. A CURRENT CORPORATE OFFICER, PARTNERSHIP MEMBER OR OTHER INDIVIDUAL SPECIFICALLY AUTHORIZED TO SUBMIT A BID AS REFLECTED IN THE APPROPRIATE RECORDS ON FILE WITH THE SECRETARY OF STATE; OR
2. AN INDIVIDUAL AUTHORIZED TO BIND THE VENDOR AS REFLECTED BY A CORPORATE RESOLUTION, CERTIFICATE OR AFFIDAVIT; OR
3. OTHER DOCUMENTS INDICATING AUTHORITY WHICH ARE ACCEPTABLE TO THE PUBLIC ENTITY.

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1 BID DELIVERY INSTRUCTIONS FOR STATE PURCHASING:

BIDDERS ARE HEREBY ADVISED THAT THE U.S. POSTAL SERVICE DOES NOT MAKE DELIVERIES TO OUR PHYSICAL LOCATION.

BIDS MAY BE MAILED THROUGH THE U.S. POSTAL SERVICE TO OUR BOX AT:
 OFFICE OF STATE PURCHASING
 P O BOX 94095
 BATON ROUGE LA 70804-9095

BIDS MAY BE DELIVERED BY HAND OR COURIER SERVICE TO OUR PHYSICAL LOCATION AS FOLLOWS:

OFFICE OF STATE PURCHASING
 CLAIBORNE BUILDING, SUITE 2-160
 1201 NORTH THIRD STREET
 BATON ROUGE, LA 70802

BIDDER IS SOLELY RESPONSIBLE FOR ENSURING THAT ITS COURIER SERVICE PROVIDER MAKES INSIDE DELIVERIES TO OUR PHYSICAL LOCATION. THE OFFICE OF STATE PURCHASING IS NOT RESPONSIBLE FOR ANY DELAYS CAUSED BY THE BIDDER'S CHOSEN MEANS OF BID DELIVERY.

BIDDER IS SOLELY RESPONSIBLE FOR THE TIMELY DELIVERY OF ITS BID. FAILURE TO MEET THE BID OPENING DATE & TIME SHALL RESULT IN REJECTION OF THE BID.

 PUBLICIZING AWARDS. IN ACCORDANCE WITH L.A.C.34:I.535, UNSUCCESSFUL BIDDERS WILL BE NOTIFIED OF THE AWARD PROVIDED THAT THEY SUBMIT WITH THEIR BID A SELF-ADDRESSED STAMPED ENVELOPE REQUESTING THIS INFORMATION.

ATTENTION:

RECEIPT OF A SOLICITATION OR AWARD CANNOT BE RELIED UPON AS AN ASSURANCE OF RECEIVING FUTURE SOLICITATIONS. IN ORDER TO RECEIVE FUTURE SOLICITATIONS/AWARDS FROM THIS OFFICE, YOU MUST ENROLL IN THE PROPER CATEGORY ON LAPAC OR ON STATE PURCHASING'S AGPS BIDDERS LIST. ENROLLMENT IN LAPAC IS FREE AND PROVIDES EMAIL NOTIFICATION OF BID OPPORTUNITIES BASED UPON COMMODITIES THAT YOU SELECT.

2 PREFERENCE. IN ACCORDANCE WITH LOUISIANA REVISED STATUTES 39:1595, A PREFERENCE MAY BE ALLOWED FOR PRODUCTS MANUFACTURED, PRODUCED, GROWN, OR ASSEMBLED IN LOUISIANA OF EQUAL QUALITY.

DO YOU CLAIM THIS PREFERENCE? YES_____

SPECIFY LINE NUMBER(S) :_____

 SPECIFY LOCATION WITHIN LOUISIANA WHERE THIS PRODUCT IS MANUFACTURED,

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PRODUCED, GROWN OR ASSEMBLED: _____

(NOTE: IF MORE SPACE IS REQUIRED, INCLUDE ON SEPARATE SHEET.)

DO YOU HAVE A LOUISIANA BUSINESS WORKFORCE? YES _____ NO _____

IF SO, DO YOU CERTIFY THAT AT LEAST FIFTY PERCENT (50%) OF YOUR LOUISIANA BUSINESS WORKFORCE IS COMPRISED OF LOUISIANA RESIDENTS?

YES _____ NO _____

FAILURE TO SPECIFY ABOVE INFORMATION MAY CAUSE ELIMINATION FROM PREFERENCES. PREFERENCES SHALL NOT APPLY TO SERVICE CONTRACTS.

- 3 CERTIFICATION OF NO SUSPENSION OR DEBARMENT. BY SIGNING AND SUBMITTING ANY BID FOR \$100,000 OR MORE, THE BIDDER CERTIFIES THAT THEIR COMPANY, ANY SUBCONTRACTORS, OR PRINCIPALS ARE NOT SUSPENDED OR DEBARRED BY THE GENERAL SERVICES ADMINISTRATION (GSA) IN ACCORDANCE WITH THE REQUIREMENTS IN OMB CIRCULAR A-133.

A LIST OF PARTIES WHO HAVE BEEN SUSPENDED OR DEBARRED CAN BE VIEWED VIA THE INTERNET AT WWW.EPLS.GOV

- 4 ANY ORDERS RESULTING FROM THIS SOLICITATION WILL BE PAID WITH NEW FY FUNDS, IF APPROPRIATED BY THE LEGISLATURE. DELIVERY CANNOT BE MADE PRIOR TO JULY 1 AND YOUR BID PRICES MUST BE FIRM FOR ACCEPTANCE AND DELIVERY ACCORDINGLY.

- 5 AT THE OPTION OF THE STATE OF LOUISIANA AND ACCEPTANCE BY THE CONTRACTOR, THIS CONTRACT MAY BE EXTENDED FOR TWO ADDITIONAL TWELVE (12) MONTH PERIODS AT THE SAME PRICE, TERMS AND CONDITIONS. TOTAL CONTRACT TIME MAY NOT EXCEED THIRTY-SIX (36) MONTHS.

- 6 OVERRUNS AND UNDERRUNS-UNDER ORDINARY CONDITIONS, THE STATE OF LOUISIANA WILL APPROVE AN UNDERRUN OR OVERRUN NOT TO EXCEED:

UP	TO	50,000	-	10%
50,001	TO	100,000	-	8%
100,001	TO	300,000	-	4%
300,001	TO	500,000	-	3%
500,001	AND	OVER	-	2%

- 7 QUALITY OF WORKMANSHIP AND STOCK-ALL ARTICLES FURNISHED AND WORK DONE MUST BE OF A FIRST CLASS QUALITY. THE USE OF POOR TYPE, POOR PRESSWORK OR THE USE OF A DIFFERENT COLOR OF INK FROM THAT ORDERED, INFERIOR BINDING, INFERIOR QUALITY OR MIS-MATCHED PAPER STOCK, A LESSER GRADE OF PAPER THAN THAT ORDERED, OR ANY OTHER DISCREPANCIES WILL BE SUFFICIENT CAUSE FOR THE REJECTION OF THE WORK AND FOR REFUSAL OF PAYMENT UNTIL THE CONTRACT CONTROVERSY IS RESOLVED.

PRICE SHEET		INVITATION TO BID			
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LINE NO.	COMMODITY/SERVICE DESCRIPTION	QUANTITY FROM/TO	UNIT	UNIT PRICE	EXTENDED TOTAL
	UNLESS SPECIFIED ELSEWHERE SHIP TO: DEPARTMENT OF REVENUE TAXPAYER SERVICES DIVISION 617 N 3RD ST RECEIVING DOCK BATON ROUGE , LA 70802				
00001	COMMODITY CODE: 255-20-000000 TO ESTABLISH A CONTRACT FOR PRINTING MACHINE-APPLIED AND HAND-APPLIED DECAL CIGARETTE STAMPS FOR FISCAL YEAR 2007. THIS CONTRACT IS FOR THE PERIOD BEGINNING JULY 1, 2006 AND ENDING JUNE 30, 2007. MACHINE-APPLIED 25 CIGARETTE STAMPS QUANTITY: 588,000 FIRST DELIVERY: JULY 5, 2006 PER SPECIFICATIONS ATTACHED.	588	M		
00002	COMMODITY CODE: 255-20-000000 MACHINE APPLIED 20-CIGARETTE STAMPS QUANTITY: 423,000,000 TO BE DELIVERED IN MONTHLY TOTALS OF 35,250,000 FIRST DELIVERY: JULY 5, 2006 PER ATTACHED SPECIFICATIONS.	423000	M		
00003	COMMODITY CODE: 255-20-000000 HAND-APPLIED 20-CIGARETTE TAX STAMPS QUANTITY 3,750,000 DELIVERY DATE: JULY 5, 2006 PER ATTACHED SPECIFICATIONS.	3750	M		

Specifications for Machine-Applied and Hand-Applied Cigarette Stamps

To establish a contract for printing machine-applied and hand-applied decal cigarette stamps for fiscal year 2007. This contract is for the period beginning July 1, 2006 and ending June 30, 2007.

Printing specifications are as follows:

Line 00001:

Type and application:

These stamps must be fuson stamps or equal, consisting of five impressions or layers, including safety-tint lettering, and must be produced by the intaglio process and must be suitable for positive application with heat to the receiving surface such as cellophane, paper, etc. Bidders are requested to furnish with the bid, canceled samples of stamps for machine application and list states now using their machine for applying stamps.

Size, design and colors:

Each stamp is to be of irregular shape outlined and shall contain not less than three different distinctive colors. Half tones, ben-day effects, shades, tints, or tones of a color will not be acceptable or considered as separate and distinctive colors. The safety- tint lettering shall not be considered as one of the stamp colors. Red should not be used as the predominant color.

Stamps for machine and hand application shall measure approximately 1/2"x1/2". Colors and design of stamps will be the responsibility of the successful vendor.

The colors and design are to be approved by the Department of Revenue prior to production of stamps. The safety-tint letters for machine and hand applied stamps must be so printed as to appear on the face of the stamp and also must appear on the paper between the stamps. The safety-tint shall transfer with the machine and hand applied stamps, and the lettering extending beyond the edges of the stamp must also transfer with the stamp.

Paper:

Stamps shall be made on unique, safety-tinted, mill-controlled, colored paper furnished by the contractor. The name of the manufacturer of the paper stock is to be furnished with the bid, and contractor must render an accurate accounting of all paper used in the production of machine and hand applied stamps, including spoilage, and verify such accounting record by affidavit to the state.

All stamps and paper must contain proven protective features to guard against illegal reproduction. This will include security features that permit laboratory identification of inks. Each stamp must contain a variable image security feature. The image "LA" should appear and disappear in a hologram fashion when viewed from different angles.

All paper must be processed with a special safety-tint reading and must be so arranged and printed that it cannot be photographed on the colored paper. Paper thickness must be no less than .002 mil. Bidder is requested to furnish with the bid, samples of paper that he proposes to furnish for machine and hand applied stamps.

Serial numbering:

After primary printing, stamps will be commonly overprinted within each roll with a legible code consisting of not less than five alpha-numeric characters. The same alphanumeric code will not be repeated for any one roll during the life of the contract. This identification code will also appear on the roll and mailer box. Rolls shall be coded in sequential order. Spoiled rolls shall be identified as "not in circulation". The beginning and ending roll number shall be clearly indicated on the outside of the box. For example: "roll #1 - roll #49." A certified listing of all rolls "not in circulation" shall be provided to the state.

Packing:

Stamps for mechanical applications are to be furnished in rolls of 4,000 stamps. For accounting purposes, each roll is to contain ascending numbers at regularly specified intervals on one side and descending numbers at regularly specified intervals on the other side. Bidder is requested to submit, and explain in detail with the bid, the numbering system to be used.

Bidder must also submit the procedure to be used in notifying tobacco distributors and the Department of Revenue as to the proper usage of such numbering system.

Each roll of stamps shall contain serial numbers for the purpose of identification. The first roll will start with the number 1 and run consecutively thereafter. Each roll of 4,000 stamps shall be packed in a serially cardboard box (identical to the roll number). The box is to be securely sealed and labeled showing quantity and denomination. Forty-nine (49) boxes are to be packed in corrugated containers. Such containers are to be securely sealed and labeled showing quantity, denomination, and roll numbers contained within.

Stamp applying machines:

Contractor must warrant that, during such period as the state of Louisiana shall utilize contractor's stamp, he will make available to authorized distributors, by means of a lease, machines designed to apply contractor's stamps, and that said machines and stamps will be designed and manufactured so as to assure proper adhesion and high-speed application of stamps. Bidder must list equipment they will lease. A minimum of forty stamp-applying machines and related equipment, such as power carton openers, carton closures, and gluers must be installed by July 5, 2006 for Louisiana wholesale distributors. Bidder must certify by letter that such equipment can and will be installed and operational by July 5, 2006.

The State of Louisiana reserves the right to require the successful vendor to demonstrate his stamp-applying machines and related equipment within twenty days after formal request is made. The demonstration would be at the wholesale distributor's place of business, and demonstration will determine if the machine meets specifications.

High-speed automatic carton-feed and repack conveyors must be available for attachment to all stamp-applying machines if required by licensed tobacco distributors.

Machines must be so constructed that they mark the stamps as they are applied to the packages of cigarettes, in a manner that identifies the stamps with the particular machines that applied them.

Contractor must instruct each tobacco distributor and his employees in the proper operation of the stamp-applying machine for correct application of the stamps.

Contractor must have service available or replace the machine(s) within twenty-four hours. The contractor must maintain equipment so that mechanical failure will not substantially disrupt stamping by the tobacco distributors and receipt or revenue by the State of Louisiana.

Successful bidder must furnish the Department of Revenue with the name, address, and telephone number of the representative(s) who service and maintain machines.

Printing facility security:

All stamps must be printed in a high-security plant, and the vendor must adhere to the following plant site security measures:

- A. A log must be kept on all visitors entering the plant and especially the secured areas.
- B. All plant exits must be monitored by a centralized alarm system.
- C. A television surveillance system must be located within the production, storage, exits and warehouse areas.

Protection:

All stamps and paper must contain proven protective features to guarantee against illegal reproduction. Bidder is requested to submit with bid a detailed statement fully explaining his system for protection of the state against unlawful reproduction and his method by which such reproduction can be detected by inspectors of the state.

Production control:

Bidder is to submit a full explanation of the precautions, which the manufacturer proposes to observe within his plant and organization to protect the state against unlawful reproduction of stamps. Bidder must designate the means by which he proposes to guard against the loss of stamps both during the process of manufacture as well as during storage.

A secure depository approved by the state shall be installed or designated by the manufacturer for the storage of photographs, films, stones, zincs, plates, cylinders, drawings, stamps, etc., when not in use or, in the case of stamps, while awaiting shipment.

All work under this contract, including all coating on paper for fusion stamps, must be performed wholly within the premises of the contractor. No part of this contract may be sublet or performed in any other establishment. No assignment of this contract in whole or in part may be made without the consent of the state. Bidders shall if required, furnish evidence satisfactory to the state that they possess the facilities, tools, machinery, equipment, and resources necessary to efficiently and promptly carry out the terms of the contract.

Accounting:

Full and accurate account must be made to the state for all spoiled papers, stamps, etc. plates, designs, patterns, films, negatives, cylinders, and the like will be used solely for this order and subsequent orders, if any. Any such plates, designs, patterns, films, etc., when not in use for the manufacture of these stamps, must be locked in a safe or vault. At the completion of this order, or at the termination of this contract, or at any time if the state so desires, all such plates, designs, films, etc., will be destroyed and disposed of as directed by the state.

Complete and accurate accounting of each and every stamp and all special paper and any other material used in the production of these stamps must be given to authorized representatives of the state upon demand at any time.

Inspection of the plant and all records and books of account will be allowed by the contractor at any time upon demand of authorized representatives of the state. At all times the contractor will supervise closely the production of these stamps and will not permit employees or any others to enter or leave the building or that part of the building where stamps are being produced until first assured that all materials in their production are properly accounted for. Every precaution will be taken to make certain that these stamps are not counterfeited or produced anywhere for any other purpose than the use by the state. All shipments must be made by bonded carrier, insured and prepaid, and contractor will be responsible for safe and proper delivery.

Delivery (Inside Delivery):

Stamps are to be delivered by July 5, 2006, but no sooner than July 3, 2006 to the address below:

Louisiana Department of Revenue
Taxpayer Services Division
617 North 3rd St.
Baton Rouge, LA 70802

Line 00002 – Specifications are the same as line 00001 except for the following:

Packing:

Stamps for mechanical applications are to be furnished in rolls of 30,000 stamps. For accounting purposes, each roll is to contain ascending numbers at regularly specified intervals on one side and descending numbers at regularly specified intervals on the other side. Bidder is requested to submit, and explain in detail with the bid, the numbering system to be used.

Bidder must also submit the procedure to be used in notifying tobacco distributors and the Department of Revenue as to the proper usage of such numbering system.

Each roll of stamps shall contain serial numbers for the purpose of identification. The first roll will start with the number 1 and run consecutively thereafter. Each roll of 30,000 stamps shall be packed in a serially cardboard box (identical to the roll number). The box is to be securely sealed and labeled showing quantity and denomination. Twenty-five (25) boxes are to be packed in corrugated containers. Such containers are to be securely sealed and labeled showing quantity, denomination, and roll numbers contained within.

Delivery:

35,250,000 to be delivered on a monthly basis with the first shipment beginning on July 5, 2006. Stamps are to be delivered inside the building to the locations listed below. Quantity for each location will be given to the vendor when shipment is requested. The first delivery cannot be accepted before July 3, 2006.

Alexandria Regional Office
Department of Revenue
900 Murray St, Ste B-100
Alexandria, LA 70301-7661
318-487-5322

Baton Rouge Main Office
Department of Revenue
617 North Third St
Baton Rouge, LA 70802
225-219-2200

Lafayette Regional Office
Department of Revenue
825 Kaliste Saloom Rd
Brandywine III, Ste 150
Lafayette, LA 70508-4237
337-262-5455

Lake Charles Regional Office
Department of Revenue
One Lakeshore Dr, Ste 1550
Lake Charles, LA 70629
337-491-2504

Monroe Regional Office
Department of Revenue
122 St John St, Room 105
Monroe, LA 71201-7338
318-362-3151

New Orleans Regional Office
Department of Revenue
1555 Poydras St, Ste 2100
New Orleans, LA 70112-3709
504-568-5233

Shreveport Regional Office
Department of Revenue
1525 Fairfield Ave
Shreveport, LA 71110-4371
318-676-7505

Thibodaux Regional Office
Department of Revenue
1418 Tiger Dr.
Thibodaux, LA 70301-4337
985-447-0976

Line 00003 – Specifications the same as line 00001 except for the following:**Serial numbering:**

After primary printing, stamps will be commonly overprinted within each sheet with a legible code consisting of not less than five alpha-numeric characters. The same alphanumeric code will not be repeated for any one stamp during the life of the contract. This identification code will also appear on the box. Sheets shall be coded in sequential order. Spoiled sheets shall be identified as "not in circulation". The beginning and ending sheet number shall be clearly indicated on the outside of the box. A certified listing of all sheets "not in circulation" shall be provided to the state.

Sheet layout and packing:

Stamps for 20-cigarette packs are to be furnished in sheets measuring 7-1/2"x12". Each sheet will contain 150 stamps, with 15 stamps per horizontal row and 10 rows per sheet. Fifty sheets will be stapled together to form a pad. Four pads will be packed per cardboard box, which will indicate quantity, denomination, and serial numbers. Twenty-five boxes will be packed in a corrugated shipping container. Each container will be securely sealed and labeled showing quantity, denomination, and serial numbers.

Stamp applying equipment:

Contractor must warrant that, during such period as the State of Louisiana shall utilize contractor's stamps, he will make available name of distributor that will be able to supply equipment designed to assure proper adhesion of contractor's stamps. The hand-stamping devices shall be of proven design and construction and capable of giving reliable and reasonable trouble-free service.

Delivery (inside building):

Stamps are to be delivered by July 5, 2006 but not before July 3, 2006 to:

Louisiana Department of Revenue
Taxpayer Services Division
617 North Third St
Baton Rouge, La 70802